

When must the application for a Builder’s Exclusion be filed?

The application must be filed with the Assessor’s Office either before construction begins or within 30 days from the start of construction. Generally, the start of construction is the date the building inspector signs off to allow the footings or foundation to be poured.

Once I apply for this exclusion, will I be notified that it has been approved?

Yes. A date-stamped copy of your application will be returned to you within 30 days from the date it is received.

When should I apply for the Builder’s Exclusion?

You can apply for the Builder’s Exclusion as soon as you purchase the vacant land and have a valid Assessor’s Parcel Number. Once approved, the exclusion does not expire as long as the ownership of the property does not change.

How do I request the Builder’s Exclusion?

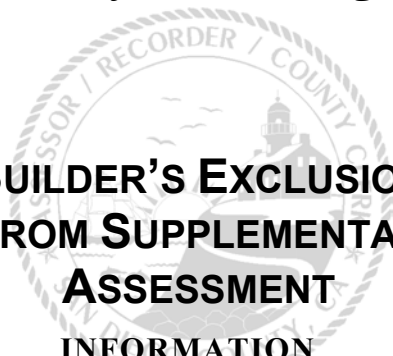
The Builder’s Exclusion application is available by calling our office at (858) 505-6262; by visiting any of our five office locations; by downloading the application from our web site at www.sdarcc.com; or by writing to us at:

Gregory J. Smith
County Assessor/Recorder/Clerk
9225 Clairemont Mesa Boulevard
San Diego, CA 92123

January 2004



Gregory J. Smith
Assessor / Recorder / Clerk
County of San Diego



**BUILDER’S EXCLUSION
FROM SUPPLEMENTAL
ASSESSMENT
INFORMATION**

**9225 Clairemont Mesa Boulevard
San Diego, CA 92123
(858) 505-6262**

Office Locations to Serve You

CHULA VISTA 590 Third Avenue Chula Vista, CA 91910 (619) 498-2200	EL CAJON 200 S. Magnolia Avenue El Cajon, CA 92020 (619) 401-5700
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SAN DIEGO

County Administration Center
1600 Pacific Highway, Room 103
San Diego, CA 92101
(619) 236-3771

KEARNY MESA 9225 Clairemont Mesa Blvd. San Diego, CA 92123 (858) 505-6262	SAN MARCOS 334 Via Vera Cruz, Ste. 150 San Marcos, CA 92069 (760) 940-6868
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– OFFICE HOURS –

8:00 a.m. – 5:00 p.m. Monday thru Friday
9:00 a.m. – 3:00 p.m. Saturday (Kearny Mesa Only)

www.sdarcc.com

Under California law, property is reappraised at its full market value at the time of a change in ownership or new construction. A supplemental tax bill is issued based on the difference between the new value and the prior assessed value. The amount is then prorated for the number of months remaining in the fiscal year. One of the exceptions to the law is in the case where a builder applies for and is granted the Builder’s Exclusion.

State law exempts a builder from the supplemental assessment upon completion of new construction if the project is built to be sold. For further information and the necessary application, please call the Assessor’s Office at (858) 505-6262.

What is the Builder’s Exclusion?

The Builder’s Exclusion prevents a supplemental tax bill from being assessed to the builder upon the completion of construction.

Who qualifies for this exclusion?

This exclusion is available to anyone who builds on a property and does not intend to use or occupy the property. Property that is intended to be rented, leased, or otherwise occupied does not qualify.

What types of property qualify for the Builder’s Exclusion?

This exclusion applies to any new construction that is built for sale. This would include homes, condos, finished lots, and certain types of commercial and industrial properties (i.e. office condominiums).

How long is the Builder’s Exclusion in effect?

Once the construction is completed, the Builder’s Exclusion is in effect until the property has sold or until the next lien date (January 1). At that time, the property would be fully reassessed for tax purposes.

Does the Builder’s Exclusion eliminate all assessments?

No. The Builder’s Exclusion only eliminates the supplemental property tax bill caused by the completion of new construction. The purchase of the vacant land and the regular tax bill are not impacted.

Does the use of the Builder’s Exclusion by the developer cause an increase in property taxes for the purchaser of the property?

No. The exemption does not increase the amount of taxes for the purchaser since they are only responsible for the taxes from their date of purchase.

What happens if a builder constructs a house for himself?

The Builder’s Exclusion would not apply because the property is not for sale. A supplemental tax bill will be issued upon completion of the new construction.

What happens if I have been approved for an exclusion and circumstances change and I decide to rent the property while I continue to try to sell it?

The exclusion will be cancelled and a supplemental tax bill will be issued as of the date the property is rented or leased.